



PREPROPOSAL STATEMENT OF INQUIRY

(RCW 34.05.310)

CR-101 (7/22/01)

Do **NOT** use for expedited rule making

Agency: Department of Ecology

AO # 02-11

Subject of possible rule making: Amend the Agricultural Water Supply Facilities rule (Chapter 173-170 WAC) which relates to issuance of grants and loans to public entities for planning and projects related to agricultural water supply systems. Funds are issued from the Referendum 38 Fund, established in 1980.

(a) Statutes authorizing the agency to adopt rules on this subject: Referendum 38, codified in Chapter 43.99E RCW, establishes the fund and authorizes the Department of Ecology to administer the account by direct expenditures or grants and loans to public entities.

(b) Reasons why rules on this subject may be needed and what they might accomplish: The Agricultural Supply Facilities rule designates procedures for administering the fund. Revision is necessary to make good use of the remaining monies and achieve water savings benefiting the state's public waters by: 1) raising the limit on funding that individual public entities are eligible to obtain, 2) exempting repaid loans from the cap on funding, 3) exempting funding of proposals within the Yakima River Basin Water Enhancement Project (YRBWEP) from the cap on funding, and 4) providing additional incentives to secure water savings that will benefit the state's public waters.

(c) Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: No other agencies regulate this subject, although public irrigation districts are the chief recipients of the grants and loans administered. In addition, the U.S. Bureau of Reclamation will be providing 75% of the funding for YRBWEP, for which the state has agreed to contribute 12.5%, with the sponsoring irrigation districts paying the remaining 12.5%. Throughout the rule-making process the U.S. Bureau of Reclamation will be made aware of draft language and their feedback will be solicited.

(d) Process for developing new rule (check all that apply):

- ☐ Negotiated rule making
- ☐ Pilot rule making
- ☐ Agency study
- ☒ Other (describe) Key stakeholders (irrigation districts, tribes, environmental groups, etc.) will be kept informed and given opportunities to provide feedback throughout the rule-making process.

(e) How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication: A web page will be provided with information on the proposed changes, including the draft rule and capability for on-line comment submittal, both before and after filing of the CR102. In addition, Ecology will distribute a focus sheet, by mail and email, with information on the rule proposal and how to get further information or provide feedback. Public notice will be made in association with the CR 102 and approximately three hearings will be held, publicized by display ads.

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STATE OF WASHINGTON
FILED

SEP 3 2002

TIME 1:30 PM
WSR 02-18-095

NAME (TYPE OR PRINT)

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9/3/02